



OFFICE OF MANAGEMENT AND BUDGET

Douglas M. Duncan
County Executive

Beverley K. Swaim-Staley
Director

MEMORANDUM

July 1, 2006

TO: Interested Readers

FROM: Beverley K. Swaim-Staley, Director
Office of Management and Budget *BKS*

SUBJECT: FY07 Operating and Capital Budgets
FY07-12 Capital Improvements Program (CIP)

These volumes contain the Approved FY07 Operating and Capital Budgets and Approved FY07-12 Capital Improvements Program for Montgomery County. In accordance with law, the County Council, after receiving the recommendations of the County Executive and the advice of interested parties through public hearings and other means, approved the budgets on May 25, 2006, for the fiscal year that began on July 1. These budgets reflect the judgment of the County Executive and the County Council on how best to provide a level of services and capital investment commensurate with the expectations of Montgomery County residents at affordable and fair levels of taxation.

Montgomery County provides a full range of local government services for its residents, including education, public safety, transportation and health and human services. New initiatives and projects funded for this fiscal year are outlined in the Highlights sections of volumes 1-3. Department and agency operating programs and the budgets which support them are included in volume 1. The capital budget and descriptions of the capital projects to be undertaken in Montgomery County are included in volumes 2 and 3.

The total FY07 Operating Budget from all sources of funds is \$3.88 billion, up \$271.3 million or 7.5 percent from the Estimated FY06 Budget. The Capital Improvements Program totals \$3.54 billion for FY07-12 period. These budgets support:

- All Board of Education proposals for K-12 education, including enhanced pension benefits for teachers and other MCPS staff. The initiatives of the last five years including class size reduction and full expansion of all day kindergarten are also sustained.



Office of the Director

- Growing enrollment at all Montgomery College campuses and a freeze to tuition and fees.
- Doubling our county's commitment to provide access to health care for the uninsured through the Montgomery Cares Health Care Program.
- Continuation of the Police Staffing Plan, adding 28 new positions, including 22 sworn officers.
- Four-person staffing on Fire and Rescue apparatus and an aggressive fire apparatus replacement program.
- Local funding of State and WMATA transportation projects that will add capacity to our road network and reduce traffic congestion.
- Construction of the new Silver Spring Transit Center this fall in partnership with the Federal and State governments.

This budget, approved at the County Charter limit on property taxes, is balanced through a combination of expenditure restraint and revenue adjustments while providing our citizens with significant tax relief. A five cent reduction in the property tax rate coupled with one-time rebates partially offset rising property assessments to provide tax relief for all our residents. Adequate undesignated reserves are provided for unforeseen contingencies.

You are invited to read the contents of these volumes for a description of the Approved Capital and Operating Budgets and the FY07-12 Capital Improvements Program. Please call the Office of Management and Budget at (240)777-2800 for further information. This information is also available on the Internet on the Montgomery County home page at www.montgomerycountymd.gov/omb.

BKS:mdl